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Media Release

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Source: Average Weekly Earnings, Australia, November 2020

The average weekly ordinary time earnings for full-time adults in Australia in November 2020 was \$1,712 (seasonally adjusted), down 0.1 per cent from May 2020, according to new Australian Bureau of Statistics (ABS) figures released today.

Changes in average earnings continued to reflect compositional changes stemming from COVID-19 impacts on jobs and earnings.

Bjorn Jarvis, head of Labour Statistics at the ABS, said: "The fall in average weekly earnings in November follows the large increase we saw in May (3.3 per cent). May was when the labour market impacts were greatest, with a higher share of job losses in lower paid jobs and industries, and those which remained had a higher earnings profile.

"The fall in average earnings in November highlights the extent of recovery in low paid jobs, hours and earnings since May. While the recovery has varied by industry and other factors, there has been enough recovery at the lower end of the distribution to put downward pressure on the average."

In the five years before COVID, the six-monthly increases in average weekly earnings were all between 0.4 per cent and 1.8 per cent.

"November 2020 is the first time we have seen a fall in average weekly earnings over a sixmonth period, highlighting how unusually large the increase in May 2020 was, within a period of relatively low wage growth," Mr Jarvis said.

In annual terms, average weekly earnings were 3.2 per cent higher in November 2020. This was similar to the annual figure in November 2019 (3.3 per cent), highlighting the shift

towards a more typical earnings distribution by the end of the year.

In addition to the fall in the headline average weekly earnings measure, falls were seen in the other measures. It was most pronounced for all employees, down 1.9 per cent (after increasing by 3.8 per cent in May).

Six monthly movement - Average weekly ordinary time earnings, Full-time adults, Seasonally adjusted



Media notes

- The reference period for the May 2020 survey refers to the last pay period ending on or before 15 May 2020, at which point many COVID-19-related restrictions were in effect. The reference period for the November 2020 survey was 20 November 2020.
- Wage growth refers to changes in the Wage Price Index.
- Employees supported by the JobKeeper wage subsidy were in scope for the AWE survey, and these payments are included within total employee earnings. However, employees supported by JobKeeper who were stood down either partially or fully with a corresponding change in their earnings, have been excluded from the Full-time

Adult series.

- Percentage movements in average weekly earnings can be affected by changes in both the level of earnings per employee and in the composition of employment.
 Factors which can contribute to compositional change include variations in the proportion of full-time, part-time, casual and junior employees; variations in the occupational distribution within and across industries; and variations in the distribution of employment between industries.
- In May 2020, JobKeeper support was \$1,500 per fortnight. In November 2020 it was \$1,200 (for those usually working 20 hours or more per week) or \$750 (for those usually working less than 20 hours per week).
- Estimates of percentage change have been calculated using unrounded estimates and may be different from, but are more accurate than, movements obtained from calculating percentage changes using the rounded estimates presented in this publication.
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